

**FINANCIAL OVERSIGHT & MANAGEMENT BOARD  
FOR PUERTO RICO**



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**BY ELECTRONIC MAIL**

September 24, 2021

The Honorable Pedro Pierluisi Urrutia  
Governor of Puerto Rico

The Honorable José Luis Dalmau Santiago  
President of the Senate of Puerto Rico

The Honorable Rafael Hernández Montañez  
Speaker of the House of Representatives of Puerto Rico

Dear Governor Pierluisi Urrutia, President Dalmau Santiago, and Speaker Hernández Montañez:

On September 15, 2021, the Oversight Board sent you a letter to establish a schedule for developing, submitting, approving and certifying a revised Fiscal Plan for the Commonwealth to incorporate potential new sources of federal funding, the broader macroeconomic environment, and certain expenditure items. While acknowledging that certain discrete provisions of the Fiscal Plan would require revision, the Oversight Board did not intend to revisit the broad range of forecasts and assumptions included in the Plan, which was certified in April 2021.

However, in light of the recent enactment of Act 46-2021 (“Act 46” or the “Act”), previously known as Senate Bill 181 (“SB 181”), the Oversight Board will defer any revisions to the Fiscal Plan until *after* the confirmation proceedings for the plan of adjustment [ECF No. 17627 in Case No. 17-bk-3283] (the “Plan of Adjustment”) are complete. Among other things, this will avoid inserting provisions into the Fiscal Plan that would only be effective if the Plan of Adjustment is confirmed.

The Oversight Board previously communicated to you its concerns with Act 46, including that it violates PROMESA section 108(a)(2). Specifically, and as explained more fully in prior correspondence, the Act requires AAFAF to take affirmative steps to ensure: (i) pensions are not cut; (ii) additional funding cuts to the University of Puerto Rico (“UPR”) are not imposed; and (iii) payments of certain debt are not made. In short, the Act unlawfully prevents the Government from

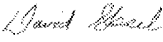
Governor Pierluisi Urrutia  
President Dalmau Santiago  
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cooperating with the Oversight Board in implementing the Fiscal Plan, revising it as appropriate, and supporting the Plan of Adjustment.<sup>1</sup>

Because the Government is prevented from cooperating, except on terms contrary to the Oversight Board's views, there is no purpose served by engaging with AAFAF on revisions to the Fiscal Plan now. It can be revised when and if the Plan of Adjustment is confirmed.

The Oversight Board looks forward to working with you to accomplish the requirements and goals of PROMESA for the benefit of the people of Puerto Rico.

Sincerely,

  
David A. Skeel

CC: Mr. Omar Marrero Díaz

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<sup>1</sup> See Letter from the Oversight Board to the Government (August 24, 2021) at 2.